RBI's concern over growthrate

†648. SHRI JANESHWAR MISHRA:
SHRIMATI MAYA SINGH:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that India will not be able to achieve 6 per cent growth rate even this year also as per the estimate of Reserve Bank of India and I.M.F.;

(b) if so, the reasons therefor;

(c) if so, the annual target fixed for GDP and the decline expected in its achievements; and

(d) the details of steps Government are taking to streamline the economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The Reserve Bank of India in its Mid-term Review of Monetary and Credit Policy for 2002-03, released on October 29, 2002, has indicated that the overall real Gross Domestic Product (GDP) growth for 2002-03 is likely to be in the range of 5.0 to 5.5 per cent as against the earlier projection of growth to 6.0 to 6.5 per cent. The International Monetary Fund (IMF) in its World Economic Outlook (September 2002) has projected GDP growth of 5 per cent for 2002-03. The forecasts by these institutions are made under varying assumptions. Broadly, the downward revision in the projection has been because of a shortfall in rainfall in some parts of the country, which may result in a decline in agricultural production during the current financial year.

(c) The growth targets are not fixed annually. The Approach Paper to the Tenth Five Year Plan aims at an annual average growth rate of 8 per cent for the Tenth Five Year Plan period (2002-07).

(d) The Government is conscious of the need for higher economic growth. The Union Budget for 2002-03 adopted a six-pronged strategy, *inter-alia*, emphasising continuation of agricultural and food economy reforms, enhancement of public and private investment in infrastructure, strengthening the financial sector and capital markets, deepening structural

†Original notice of the question was received in Hindi.

reforms and regenerating industrial growth. The various reform measures are expected to have a positive effect on the growth of the economy.

Waiver of Dues of Orissa

649. SHRI B.J. PANDA:
MISS MABEL REBELLO:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether State Government of Orissa has requested the Central Government for waiver of Rs. 68 crores towards charges for airdropping of food material for the marooned people during the last super cyclone and floods as the State is not in a position to pay this amount;

(b) whether the State Government has also requested the Central Government for bearing their share of matching grant under the Crop Insurance Scheme; and

(c) if so, what is the status of these proposals?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Government of Orissa had requested for waiver of Rs. 68.74 crores towards air dropping charges of food materials during super cyclone of October 1999 and during the floods of 2001.

(b) The State Government in their Memorandum on Drought 2002, submitted to Government of India had *inter-alia* requested the Centre to provide Rs. 27 crores towards the State's share of the Crop Insurance Scheme compensation for the current year.

(c) Keeping in view, the funds released to Government of Orissa under the National Fund for Calamity Relief in the wake of super cyclone, it has only been found feasible to release an amount of Rs. 16.41 crores to Government of Orissa towards air-dropping charges for food materials during floods of 2001. This amount has been released from National Calamity Contingency Fund (NCCF) to the State Government.

Regarding the assistance for the States Crop Insurance Scheme, as the balance available in the Calamity Relief Fund of the State, covered the loss on account of Drought 2002 as approved by the High Level Committee, no assistance is releasable under NCCF on this account.